## **Department of Defense**

objective of the restriction without imposing a significant management burden on the Government or the contractor involved.

[61 FR 13107, Mar. 26, 1996, as amended at 62 FR 34124, June 24, 1997; 63 FR 43888, Aug. 17, 1998]

## 225.7022-2 Exceptions.

The restriction in 225.7022–1(b) does not apply if—

- (a) The acquisition is for an amount that does not exceed the simplified acquisition threshold: or
- (b) Spare or repair parts are needed to support totally enclosed lifeboats manufactured outside the United States.

[62 FR 34124, June 24, 1997, as amended at 63 FR 5746, Feb. 4, 1998; 63 FR 43888, Aug. 17, 1998]

#### 225.7022-3 Waiver.

The waiver criteria at 225.7005(a) apply only to the restriction of 225.7022-1(b).

[63 FR 43888, Aug. 17, 1998]

## 225.7022-4 Contract clause.

Use the clause at 252.225–7039, Restriction on Acquisition of Totally Enclosed Lifeboat Survival Systems, in all solicitations and contracts which require delivery of totally enclosed lifeboat survival systems.

 $[61~{\rm FR}~13107,\,{\rm Mar.}~26,\,1996]$ 

# 225.7023 Restriction on supercomputers.

#### 225.7023-1 Restriction.

In accordance with section 8112 of Pub. L. 100-202, and similar sections in subsequent Defense Appropriations Acts, do not purchase any supercomputer that is not manufactured in the United States.

[60 FR 34471, July 3, 1995, as amended at 60 FR 61597, Nov. 30, 1995]

### 225.7023-2 Waiver.

The restriction in 225.7023-1 may be waived by the Secretary of Defense on a case-by-case basis, after the Secretary of Defense certifies to the Armed Services and Appropriations Committees of Congress that—

- (a) Adequate U.S. supplies are not available to meet requirements on a timely basis; and
- (b) The acquisition must be made in order to acquire capability for national security purposes.

[60 FR 34471, July 3, 1995]

#### 225.7023-3 Contract clause.

Use the clause at 252.225-7011, Restriction on Acquisition of Supercomputers, in solicitations and contracts for the acquisition of supercomputers.

[60 FR 34471, July 3, 1995, as amended at 60 FR 61597, Nov. 30, 1995]

# Subpart 225.71—Other Restrictions on Foreign Acquisition

SOURCE: 62 FR 34124, June 24, 1997, unless otherwise noted.

## 225.7100 Scope of subpart.

This subpart contains foreign product restrictions which are based on policies designed to protect the defense industrial base.

## 225.7101 Definitions.

Relevant definitions are in the clause at 252.225-7025, Restriction on Acquisition of Forgings.

## 225.7102 Forgings.

## 225.7102-1 Policy.

DoD requirements for the following forging items, whether as end items or components, shall be acquired from domestic sources (as described in the clause at 252.225-7025) to the maximum extent practicable—

Items	Categories
Ship propulsion shafts	Excludes service and landing craft shafts.
Periscope tubes	All.
Ring forgings for bull gears	All greater than 120 inches in diameter.
Periscope tubes Ring forgings for bull gears	All. All greater than 120 inches in

## 225.7102-2 Exceptions.

The policy in 225.7102-1 does not apply to acquisitions—

- (a) Using simplified acquisition procedures, unless the restricted item is the end item being purchased;
  - (b) Overseas for overseas use; or

#### 225.7102-3

(c) When the quantity acquired exceeds the amount needed to maintain the U.S. defense mobilization base (provided such quantity is an economical purchase quantity). The restriction to domestic sources does not apply to the quantity above that required to maintain the base, in which case, qualifying country sources may compete.

#### 225.7102-3 Waiver.

Upon request from a prime contractor, the contracting officer may waive the requirement for domestic manufacture of the items covered by the policy in 225.7102–1.

#### 225.7102-4 Contract clause.

- (a) Use the clause at 252.225-7025, Restriction on Acquisition of Forgings, in solicitations and contracts, except for acquisitions—
  - (1) Excepted in 225.7102-2; or
- (2) Where the contracting officer knows that the supplies being acquired do not contain the restricted items.
- (b) If an exception under 225.7102–2 applies to any portion of the acquisition, specify the exception in the solicitation and contract.

# 225.7103 Polyacrylonitrile (PAN) carbon fiber.

## 225.7103-1 Policy.

DoD has imposed restrictions on the acquisitions of PAN carbon fiber from foreign sources. DoD is phasing out the restrictions over the 5-year period ending May 31, 2005. Contractors with contracts that contain the clause at 252.225–7022 must use U.S. or Canadian manufacturers or producers for all PAN carbon fiber requirements.

[65 FR 77832, Dec. 13, 2000]

## 225.7103-2 Waivers.

Contracting officers may, with the approval of the chief of the contracting office, waive, in whole or in part, the requirement of the clause at 252.225–7022. For example, a waiver may be justified if a qualified U.S. or Canadian source cannot meet scheduling requirements

## 225.7103-3 Contract clause.

Use the clause at 252.225–7022, Restriction on Acquisition of Polyacrylonitrile (PAN) Carbon Fiber, in solicitations and contracts for major systems as follows:

- (a) In solicitations and contracts issued on or before May 31, 2003, if—
- (1) The system is not yet in production (milestone III as defined in DoD 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs (MDAPS) and Major Automated Information System (MAIS) Acquisition Programs); or
- (2) The clause was used in prior program contracts.
- (b) In solicitations and contracts issued during the period beginning June 1, 2003, and ending May 31, 2005, if the system is not yet in engineering and manufacturing development (milestone II as defined in DoD 5000.2–R).

[65 FR 77832, Dec. 13, 2000]

## Subpart 225.72—Reporting Contract Performance Outside the United States

SOURCE: 58 FR 28469, May 13, 1993, unless otherwise noted.

#### 225.7200 Scope of subpart.

This subpart prescribes procedures for contractor reporting and DoD monitoring of the volume, type, and nature of contract performance outside the United States, to include subcontracts, purchases, and intracompany transfers. It implements 10 U.S.C. 2410g which requires advance notification of contract performance outside the United States and Canada when the contract could have been performed inside the United States or Canada.

#### 225.7201 Exception.

This subpart does not apply to contracts for commercial items, construction, ores, natural gas, utilities, petroleum products and crudes, timber (logs), or subsistence.

[60 FR 61597, Nov. 30, 1995]